

July 31, 1989

Mr. Jeffrey L. Maples
Gas Pipeline Safety Engineer
Public Service Commission of Nevada
Regulatory Operations Staff
Capitol Complex
727 Fairview Drive
Carson City, NV 89710

Dear Mr. Maples:

Thank you for your letter of April 20 requesting clarification of a variety of issues regarding liquefied petroleum gas (LPG) systems and master meter systems. We have analyzed your questions and explain our conclusions below. For simplicity, we have used the same headings as in your letter.

49 CFR 192.11(a)

As we interpret the term in relation to LPG, a "system" normally consists of a tank storing petroleum gas in liquid form, appurtenant facilities, and piping used to deliver gas to one or more customers. Separate tanks and piping serving separate sets of customers within a mobile home park would not constitute a single system, but separate systems.

The example presented in your letter, two tanks serving nine customers each, with no interconnection and no equipment in a public place, would be two separate systems. Neither would be subject to §192.11(a) because each system serves fewer than 10 customers. Were the tanks or associated piping interconnected, they would constitute a single system serving 18 customers and would be subject to §192.11(a). Similarly, were some part of either system located in a public place, that entire system would be subject to §192.11(a).

49 CFR 192.99

As used in Part 192, the phrase "district regulator station" refers to a pressure limiting device that is designed and installed to limit the downstream pressure in a distribution system or part of a distribution system. In an LPG system a pressure regulator on the outlet of the supply tank would

be similar to a district regulator station, but we have never enforced §192.199(g) against LPG operators. Doing so could be problematic in the absence of a clear understanding of the meaning of "district regulator station." We have scheduled a rulemaking proceeding to begin next March to clarify which facilities the Part 192 regulator-station rules cover. We suggest that you defer decisions on compliance actions against LPG operators regarding §192.199(g) until the conclusion of that proceeding.

49 CFR 192.739 and NFPA

As discussed above, the tank, appurtenances and piping, which would include any pressure regulator, constitute the system. Thus, they must comply with the requirements of Part 192, including the inspection and testing of regulators under §192.739 and the applicable requirements of NFPA Standards No.58 and No.59.

The party who actually operates the distribution system has primary responsibility for compliance with the regulations, regardless of ownership. In the examples you cited, it is possible for the supplier to perform the maintenance of the tank/regulator combination under an agreement with the operator, but the primary responsibility for compliance remains with the operator.

NFPA 58 - 2213

The question here is whether it is acceptable, in the absence of a waiver, to set relief valves to start to discharge at 275 psig rather than 250 psig as specified in NFPA 58 (1979) Section 2213. Assuming the tanks in question were manufactured, designed, or installed after the 1979 edition of NFPA 58 was incorporated by reference in Part 192 (Amendment 192-37, 46 FR 10160, effective March 4, 1981), tank relief valve settings that are not in accordance with NFPA 58 (1979) requirements would violate §192.11(a), and the system operators would be liable to appropriate penalties or other sanctions for the violations. Tanks manufactured, designed, or installed before the 1979 edition was referenced would be subject to the relief valve setting requirements in earlier editions of NFPA 58 referenced in §192.11.

An operator may apply for a waiver of the NFPA setting requirement to avoid continuing violations. As a certified State agency under the Natural Gas Pipeline Safety Act of 1968, the Nevada Public Service Commission is authorized to grant waiver requests, subject to the approval of this officer (See 40 app. U.S.C. 1672(d)). We would not approve such a waiver unless there is an adequate explanation why the NFPA setting requirement is inappropriate to apply in a particular case and why a higher setting does not reduce safety.

I hope that the preceding discussion clarifies these issues for you. If you need any further information, please contact me.

Sincerely,

Richard L. Beam, Director
Office of Pipeline Safety

*